

WASHINGTON, D.C. – Congresswoman Loretta Sanchez (CA-47) today voted to bring transparency, accountability, and competition to America’s health insurance industry by passing H.R. 4626, the Health Insurance Industry Fair Competition Act. The bill would eliminate a longtime anti-trust exemption for health insurance companies, requiring them to compete fairly and adhere to the same anti-trust laws as other companies.

“Removing this antitrust exemption will introduce a healthy dose of competition into the health insurance industry,” said Rep. Sanchez. “Ninety-four percent of all insurance markets are considered ‘highly concentrated,’ meaning consumers have little or no choice between insurance providers. This bill will guarantee insurers have a concrete incentive to provide better, more affordable and innovative care to consumers.”

Since 1945, the McCarran-Ferguson Act has exempted the health insurance industry from federal antitrust laws. As a result, health insurers have been able to stifle competition and drive up profits at the expense of consumers, who suffer as a result. The Health Insurance Industry Fair Competition Act would repeal this blanket antitrust exemption and put an end to the industry’s more egregious anticompetitive practices, including price fixing.

The legislation is supported by numerous groups including the American Hospital Association, American Nurses Association, American Academy of Pediatrics, Consumers Union, Consumer Federation of America, Center for Justice and Democracy, and U.S. PIRG.

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